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11-23-1986

## **Safeway Stores, Inc. and United Food and Commercial Workers, Local 408 (1986)**

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## Safeway Stores, Inc. and United Food and Commercial Workers, Local 408 (1986)

Location

TX

Effective Date

11-23-1986

Expiration Date

2-17-1990

Employer

Safeway Stores, Inc.

Union

United Food and Commercial Workers

Union Local

408

NAICS

44

Sector

P

Item ID

6178-008b175f010\_06

**Keywords**

collective labor agreements, collective bargaining agreements, labor contracts, labor unions, United States Department of Labor, Bureau of Labor Statistics

**Comments**

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AGREEMENT

BETWEEN

SAFEWAY STORES, INC.

AND

UNITED FOOD AND COMMERCIAL WORKERS INTERNATIONAL UNION, LOCAL NO. 408

ARTICLE I. RECOGNITION AND JURISDICTION.

A. The Employer recognizes UFCW Local No. 408 as the exclusive and collective bargaining agent for all employees in the meat department in all of Employer's retail stores located in the following county or counties as set forth in Appendix B, which is attached hereto and by this reference made a part hereof. The party hereto, shall have jurisdiction over all meat department employees in retail stores that are or will be owned, leased or operated by the Employer in such counties.

It is hereby agreed that the terms and provisions of this Agreement shall be binding upon the successors and/or assigns of the Employer. In the event of a change of ownership of the operation, the Company shall pay off all obligations regarding accumulated wages, pro rata of earned vacation, or other monetary benefits due employees under the terms of this Agreement at the time of transfer of ownership.

B. For the purpose of the Contract, the meat department includes all employees who are engaged in the handling, processing and offering for sale of fresh and frozen meats, poultry, fish, rabbits, sausage, smoked meats and meat products, which has customarily been performed by bargaining unit employees in the store shall continue to be within the work and collective bargaining jurisdiction of the Union, regardless of the place of performance, (1) to the extent that such work continues to be performed by the Employer, (2) to the extent such work is performed by the Employer within the Union's geographical area of representation as set forth in Section A above, and (3) to the extent such work is not currently represented by another Union. Specifically, although only the Employer's store meat departments in the aforementioned geographical area are covered by this Agreement, the Employer will continue to recognize the Union's work and collective bargaining jurisdiction over the Employer's store delicatessen operations that existed prior to the execution of this Agreement. The wholesale suppliers performing services to the Employer in the markets may continue to do so to the extent these services are presently performed.

C. It is not intended by any provision of this Agreement to prevent the Employer from cutting, packaging or otherwise handling meat at any central point. The Employer agrees that any work of cutting, packaging or otherwise handling meat at any central point owned, leased or operated by the Employer in the following county or counties: (In accordance with Appendix B attached) which was previously performed at the Employer's retail markets will be performed by members of this bargaining unit under the wages, hours and working conditions of this Contract, except where this work is under the



jurisdiction of an existing collective bargaining contract with the Employer. New classifications may be established for such work in any central location if a new classification does not primarily embrace work being performed by employees in any established classification. Prior to establishing such new classification, the Employer and the Union shall confer to establish the wage rate for such classification. In the event the parties cannot agree after such conference, the Employer may establish such a new classification and rate.

#### ARTICLE II. - NON-DISCRIMINATION - CHECK OFF

A. There shall be no discrimination against any employee, whether by the Employer or the Union, because of their membership or non-membership in the Union.

B. The Employer and the Union agree that neither shall discriminate against any employee because of age, race creed, color, sex or national origin. It is understood that wherever there appears a reference in this collective bargaining agreement to male or female gender, the intent is to interpret this Contract as to having no reference to a specific sex.

C. The Employer shall, during the term of this Contract, deduct initiation fees and regular Union dues weekly from employees who are members of the Union and who individually and voluntarily certify in writing authorization for such deductions. The Employer shall remit all sums deducted in this manner to Local Union No. 408 once a month.

A uniform Active Ballot Club deduction will be made in January of each year for those employees who indicate, in writing, each year, authorization to do so, and will be forwarded to the Local Union.

D. It is agreed that the Company will not attempt in any manner to prevent or discourage any employee from joining the Union or engaging in any lawful activity on behalf of the Union. The Company agrees to tell new employees that they are operating under a Union Contract.

E. Employers with facilities and capabilities, which have no employee credit union, agree to make weekly deductions in amounts designated by employees belonging to the UFCW Local Union No. 408 Federal Credit Union who so desire such deductions and shall remit these amounts to such credit union.

#### ARTICLE III - NO STRIKE - NO LOCKOUT

A. The Union agrees not to cause, ratify or sanction any strike, slowdown or stoppage or work and the Employer agrees that there shall be no lockout of any employees during the term of this Contract.

B. The Employer agrees that nothing in this Contract shall require any employee to report or to perform any work when to do so will require that he cross a legal labor picket line in a primary labor dispute involving the Employer when such is sanctioned by UFCW Local No. 408. Provided, however, that UFCW Local No. 408 agrees that it will give the Employer at least forty-eight (48) hours' notice after such primary picketing commences of its intention to sanction any such primary picket line.

#### ARTICLE IV - MEAT DEPARTMENT EMPLOYEES

A. Each shop shall have a Head Meat Cutter and he shall be a Journeyman Meat Cutter and he may perform all the duties of, and shall direct the work, movements and operations of, the meat department employees.

B. A Journeyman is one who has qualified as a skilled meat cutter. His duties shall include the receiving, cutting, grinding, slicing, preparing, processing, sealing, wrapping, bagging, pricing, fabricating and serving of all items in the meat department and the performance of all work incidental thereto.

C. Any apprentice must be eighteen (18) year of age or older, learning all details and developing skills for performing the duties of a Journeyman Meat Cutter. The Employer agrees to assign each Apprentice to various jobs in order to give him the opportunity to qualify as a Journeyman. The Apprenticeship Training period shall be for a three (3) year period.

In cases where the Apprentice has not qualified as a Journeyman at the end of the Apprenticeship Training period in the judgment of the Employer, such Apprenticeship Period may be extended an additional six (6) months and the apprentice shall be paid at the top Apprentice rate during this period.

Nothing in this Section C will prevent the Employer from advancing an Apprentice to a Journeyman before the end of the Apprenticeship Training Period if, in the judgment of the Employer, the Apprentice is qualified.

D. Employees engaged in weighing, wrapping, pricing and displaying shall be eighteen (18) years of age or over. Wrappers may be employed to wrap, scale, price, label, display, board, tray, bag poultry and other items, stock meats and slice cheese, bacon and delicatessen items with slicing machines and to clean work tables and any equipment that they work with, including removable racks and display cases, glass and to disassemble and clean refrigerated conveyor troughs, but excluding electric saws, grinders, tenderizers and patty machines. Wrappers shall not be permitted to cut any red meat, pork, lamb, poultry, rabbits, or fish.

Employees in the Weighers and Wrappers classification will have the opportunity to transfer without loss of seniority or reduction in straight-time hourly wage rate to the Apprentice classification when a vacancy exists, provided they have the skills, abilities, and physical capacity to perform the work. Employees in the Weighers and Wrappers classifications wishing to make application for such openings shall do so in writing with copies to both the Employer's designated official and the Union.

When a Wrapper is assigned to the Journeyman or Apprentice classification, the Wrapper will retain seniority in the Wrapper classification for a period of one (1) year. After one (1) year, if the former Wrapper continues to be assigned to the Apprentice or Journeyman classification, his or her seniority date will be the date assigned as an Apprentice or Journeyman. If the former Wrapper is to be laid off, the former Wrapper may elect to be reassigned to the Wrapper classification, rather than accept the layoff. If the former Wrapper elects this option, his or her

seniority date shall be the date originally assigned as a Wrapper.

If the former Wrapper has returned to the Wrapper classification and is recalled to the Journeyman or Apprentice classification, the Wrapper may accept the recall or remain in the Wrapper classification without further recall rights to the Journeyman or Apprentice classifications.

A wrapper with one (1) year full-time service with the Employer shall receive six (6) months credit upon entrance to Apprentice training.

E. The Employer and the Union agree that any qualified employee eighteen (18) years or older, regardless of age, race, creed, color, sex, or national origin, is eligible to work, and will be given an equal opportunity to work in any job classification covered by this Contract.

F. Head Meat Cutters shall be allowed to voluntarily return to the Journeyman classification without loss of seniority upon the giving of thirty (30) days' written notice to the Company. The return of the Head Meat Cutter to the Journeyman classification shall be conditioned upon the Employer having a qualified Head Meat Cutter replacement readily available to assume the responsibilities of the Head Meat Cutter desiring to return to the Journeyman classification.

#### ARTICLE V - WAGES

A. The scale of wages and job classification in Appendix A is attached hereto and made a part of this Contract.

B. Employer agrees to continue the past practice of giving credit for previous proven comparable experience in the Retail Food Industry to any full-time employee. Such experience, in order to be considered, must be within three (3) years prior to date of hire, excluding Military Service, and must be formally specified on application for employment. Proof of previous comparable experience to be considered must be furnished by the employee or determined by the Employer within thirty (30) days after hire. Any rate increase will be placed into effect when the experience has been verified and will become effective as of the date of verification.

C. Newly employed employees shall be classified by the Union as to their qualification for Journeyman and Apprentices.

D. When a Journeyman Meat Cutter is designated by the Employer to relieve the Head Meat Cutter for a period of more than two (2) consecutive scheduled working days during a workweek, said Journeyman shall receive the rate specified in this Contract for the Head Meat Cutter for the period of time actually worked. The regular weekly scheduled days off of the Head Meat Cutter will not be utilized to compute the time worked in that classification by any Journeyman.

E. Effective as of December 12, 1983, establish a new Department, the "Seafood Department", with a new classification of employment, the "Seafood Department" classification, which shall be a separate and distinct classification of employment from the other classifications of employment that are covered under the Agreement for the purposes of Seniority. Seafood



Department Employees shall perform work in that Department only. In the event of a layoff, Meat Department Employees (On the payroll as of December 6, 1983) may apply their seniority into the Seafood Department in lieu of being laid-off, at their present rate of pay or the "Thereafter (over 4,160 hours)" "Seafood Clerk" rate, whichever is less.

Present "Seafood Department" employees (On the payroll as of December 6, 1983) will, upon notification, have a "one-time" opportunity to bump into the Meat Department. If they decide to stay in the "Seafood Department:", they will retain seniority in the Seafood Department only, except in the event of layoff or of openings (This applies only to those Seafood Department Employees on the payroll as of December 6, 1983) they may exercise their seniority into the Meat Department.

Red circle present "Seafood Clerks" (On the payroll as of December 6, 1983). If Contract affords increases, Red Circled "Seafood Clerks" will get increase received by "Thereafter (over 4,160 hours)" "Seafood Clerks".

"Seafood Clerks" hired after December 6, 1983, shall have seniority in the Seafood Department only. Should a "Seafood Clerk" desire promotion to a higher classification, such "Clerk" shall make his or her wishes known to the Zone or Area Manager, in writing, with copies to the Personnel Manager and the Union. Such "Seafood Clerk" will be considered by seniority from those who have made their wishes known in writing.

The senior "Seafood Clerk" by store, shall have the right to the first (1st) forty (40) hour schedule available in their department.

#### ARTICLE VI - HOURS OF WORK

A. Forty (40) hours of work, to be worked in five (5) days, shall constitute a full workweek. Full-time employees who are scheduled for forty (40) hours in a given week shall be guaranteed forty (40) hours, or pay in lieu thereof, for that week, except that such guarantee shall not apply on any day in which the employee is tardy, absent or has been disciplined for just cause. It is further understood that this guarantee will not apply when time off is granted by mutual agreement between the employer and the employee or in cases of emergency as defined in Section K-2. Employees shall be granted two (2) fifteen (15) minute rest periods each day; one (1) rest period to be taken during the shift worked prior to lunch, and one (1) rest period to be taken during the shift worked after the lunch period. These rest periods are to be considered as time worked. Lunch periods shall not exceed one (1) hour. When an employee is required to work more than ten (10) hours in any one (1) work day, the employee shall be granted an additional fifteen (15) minute rest period to be taken after the tenth (10th) hour worked.

During the term of this Agreement, the Employer will not simultaneously reduce the scheduled working hours of its regular full-time employees across the board and without regard to seniority. Whenever a reduction in the working force is necessitated, the Employer will reduce the employee or employees affected, pursuant to Article X (Seniority). Schedules will be arranged to provide senior full-time employees with as many full forty (40) hour-per-week schedules as is consistent with the requirements of the business with the understanding that hours will not be added unnecessarily to

accomplish this objective.

B. All hours worked in excess of forty (40) hours in any workweek shall be overtime. Minimum rate of pay shall be time and one-half (1 1/2) the employee's basic rate of pay.

C. Any time worked in excess of eight (8) hours in any one (1) day shall be considered overtime and the minimum rate of pay shall be time and one-half (1 1/2) the regular basic rate of pay.

D. All work performed after the fifth (5th) full day worked during any workweek shall be overtime and the employee's minimum rate shall be time and one-half (1 1/2) the regular basic rate of pay.

E. All hours worked in excess of thirty-two (32) hours in a workweek in which a holiday falls, (or twenty-four (24) hours, should two (2) holidays fall within the same workweek) shall be considered overtime and shall be paid for at time and one-half (1 1/2) at the regular basic rate of pay.

F. Effective January 1, 1987 all current employees shall receive a 1 1/4 for Sunday work which shall become part of the workweek. Employees hired after ratification shall receive a \$1.00 per hour premium for Sunday work for the first year of employment. Work performed on Holidays shall not be included in determining the workweek.

G. Effective January 1, 1987 all current employees shall receive a 1 1/4 for all work performed on a holiday. Employees hired after ratification shall receive a \$1.00 per hour premium for holiday work for the first year of employment.

H. There shall be no split shift schedules for employees.

I. In no case will overtime penalty or premium pay be pyramided.

J. 1. The hours for each employee shall be scheduled by the Employer. A work schedule for full-time employees for the succeeding week, including Sunday or a holiday of the following week, shall be posted in each market not later than 4:00 p.m. on Friday of the current week.

2. Such schedule will not be changed during the week, without the consent of the employees, unless such requirement is necessitated because of sickness or emergencies (emergency means strike, fire, flood, etc.). Employees' schedules will not be changed to avoid payment of overtime, except as allowed herein. An employee who works the basic workweek and who is required to work on a scheduled day off will receive time and one-half (1 1/2) for all work performed on that day. (The scheduled day off is the one posted on Friday, or any allowed revisions thereof).

K. A work schedule for part-time employees for the succeeding week shall be posted in each market by 4:00 p.m. on Friday of the current workweek, provided, however, the Employer may change the schedule of any part-time employee during any part of the workweek if business conditions necessitate such change.

L. Time spent by an employee traveling during the workday between two (2) stores of the Employer, at the request of the Employer, shall be considered time worked and the employees who are authorized to use their own transportation shall receive fifteen cents (15-cents) per mile for the distance involved.

M. No employee shall be required to work more than five (5) hours without an unpaid lunch period.

N. Any employee who reports for work as scheduled, without previous notice not to report, shall be guaranteed a minimum of his scheduled hours of work on that day, or four (4) hours or work or pay, whichever is greater except in cases of emergencies as defined in Section J-2 of this Article.

O. If employees are required to attend store meetings, sales meetings, or other Company sponsored meetings outside of the scheduled daily or weekly work hours, such time shall be considered as time worked.

P. Where work is performed, but not recorded, the employee involved will be subject to disciplinary action, including discharge. Employees who record another employee's time shall be disciplined, including discharge.

Q. Employees shall be paid weekly.

R. Late shift or night shift work shall not be assigned for disciplinary reasons.

#### ARTICLE VII - VACATIONS

A. All full-time employees covered by this Contract, who have been employed full-time for the anniversary year, shall receive:

1. After one (1) year, one (1) week's vacation with pay;
2. After three (3) years, two (2) week's vacation with pay;
3. After seven (7) years, three (3) weeks vacation with pay;
4. After fifteen (15) years, four (4) weeks vacation with pay;
5. After twenty (20) years, five (5) weeks vacation with pay.

Each week's vacation shall run in not less than six (6) consecutive working days.

B. A qualifying part-time employee, who has completed twelve (12) months' continuous service, will be eligible to receive a vacation with pay, provided that the part-time employee has worked six hundred twenty-four (624), or more, straight-time hours during such twelve (12) month anniversary period.

Each part-time employee who meets the eligibility requirements of this Section of this Article shall, on his anniversary date, be entitled to receive: One (1) week's pro rata vacation with pay to be calculated on the basis of the total hours worked during the applicable anniversary year divided

by fifty-two (52) weeks.

Part-time employees shall be entitled to a second (2nd) week of pro-rated vacation after completion of three (3) year's service. Two (2) weeks shall constitute the maximum allowable pro-rated vacation for part-timers.

C. Vacation time to be computed from date of employment or anniversary date thereof. It is understood and agreed that vacation will be taken at a time convenient to both the employee and the Employer. It is agreed that the employee's vacation will be paid at his/her current weekly rate of pay. It is agreed that the Employer will consult with, and give due regard to the recommendation of, the Head Meat Cutter in the Shop and a Union Representative to determine whether or not a replacement or replacements are necessary when vacations are being taken; provided, however, that after the Employer has fully considered the recommendations of the Head Meat Cutter and the Union Representative, and if there is a disagreement between the Employer and the Head Meat Cutter and the Union Representative regarding the matter, the Employer's decision on whether or not a replacement or replacements are needed shall be conclusive.

D. Full-Time Vacation Eligibility:

1. A full-time employee will be eligible for a one (1) week vacation as of the first (1st) anniversary date of continuous full-time service, provided he has completed one (1) year of continuous full-time service as of that date.

2. After qualifying for his first one (1) week vacation, a full-time employee who has completed one (1) year of continuous full-time service (but less than three (3) years) prior to January 1, is eligible for a one (1) week vacation as of January 1.

3. A full-time employee will become eligible for a second (2nd) week of vacation as of the third (3rd) anniversary of his beginning date of continuous full-time service provided he has completed three (3) years of continuous full-time service as of that date.

4. After qualifying for his first (1st) two (2) week vacation, a full-time employee who has completed three (3) years of continuous full-time service prior to January 1, is eligible for a two (2) week vacation as of January 1.

5. A full-time employee will become eligible for a third (3rd) week of vacation as of the seventh (7th) anniversary of his beginning date of continuous full-time service provided he has completed seven (7) years of continuous full-time service as of that date.

6. After qualifying for his first (1st) three (3) week vacation, a full-time employee who has completed seven (7) years of continuous full-time service prior to January 1, is eligible for a three (3) week vacation as of January 1.

7. A full-time employee will become eligible for a fourth (4th) week of vacation as of the fifteenth (15th) anniversary of his beginning date of the continuous full-time service provided he has completed fifteen (15) years of



continuous full-time service as of that date.

8. After qualifying for his first (1st) four (4) week vacation, a full-time employee who has completed fifteen (15) years of continuous full-time service prior to January 1, is eligible for a four (4) week vacation as of January 1.

9. A full-time employee will become eligible for a fifth (5th) week of vacation as of the twentieth (20th) anniversary of his beginning date of continuous full-time service provided he has completed twenty (20) years of continuous full-time service as of that date.

10. After qualifying for his first (1st) five (5) week vacation, a full-time employee who has completed twenty (20) years of continuous full-time service prior to January 1, is eligible for a five (5) week vacation as of January 1.

If a full-time employee qualifies for a one (1), two (2), three (3) or four (4) week vacation as of January 1 and is due to complete the service necessary for an additional week of vacation later in the year, he may take his earned vacation early or wait and take his cumulative earned vacation later in the year after he has completed the necessary service for the additional week of vacation.

E. If a full-time employee, who has not taken the vacation which he has earned by reason of his service is terminated for any reason except dishonesty, he shall receive his vacation pay at the time of termination.

F. When a holiday included in this Contract occurs during the calendar week of an employee's vacation, the employee, at his option, will be entitled to an extra day of vacation, or an extra day of pay in lieu thereof; however, the employee, at the time he requests his vacation pay, must inform the Employer of his decision.

G. Choice of vacation dates will be granted on the basis of seniority in the market. Vacation for full-time employees once scheduled shall not be changed unless mutually agreed to by the employee and the Employer.

H. Employees shall be paid their vacation pay prior to their vacation period.

I. Employees entitled to vacations will not be given pay in lieu thereof, unless mutually agreed to by the Employer, the employee and the Union.

J. After one (1) year of employment, any leave of absence totaling ninety (90) days or less in any calendar year shall not affect vacation earned in that year; leaves totaling more than ninety (90) days but not over one hundred eighty (180) days shall reduce vacation and vacation pay by one-fourth (1/4); leaves totaling more than one hundred eighty (180) days but not over two hundred seventy (270) days shall reduce vacation and vacation pay by one-half (1/2); leaves totaling more than two hundred seventy (270) days shall disqualify the employee for vacation for that year only.

K. Should ownership change during the term of this Contract, the present



Employer agrees to pay employees for that portion of vacation earned up to date change is made.

**ARTICLE VIII - HOLIDAYS**

A. A full holiday shall be given to all full-time employees covered by this Contract on the following days without reduction in pay: New Year's Day, Fourth of July, Labor Day, Thanksgiving Day, Christmas Day, Employee's Birthday, Employee's Anniversary Date (date of hire with Employer and three (3) personal holidays to be taken at a time mutually agreed upon between the Employer and the employee involved. Effective January 1, 1987, delete three personal holidays.

Holidays falling on Sunday shall be celebrated the following Monday. When an employee's birthday or anniversary date falls during a holiday week or during his vacation, another day off with pay will be given during the next succeeding non-holiday week.

B. Effective January 1, 1987, the following holidays shall be considered as paid holidays for all qualifying part-time employees:

1. New Year's Day
2. Fourth of July
3. Labor Day
4. Thanksgiving Day
5. Christmas Day
6. Employee's Birthday
7. Employee's anniversary date

(a) The following days shall be considered as holidays for the purpose of this Agreement for non-probationary employees: New Year's Day, Fourth of July, Labor Day, Thanksgiving Day, Christmas Day and the Employee's anniversary date.

(b) After the completion of one (1) year of employment with an Employer, employees shall be entitled to the following holidays in accordance with the provisions of this Article:

Employee's Birthday, which shall be taken at a time mutually agreed upon between the Employer and the Employee.

Holidays falling on Sunday shall be celebrated the following Monday. When an employee's birthday or anniversary date falls during a holiday week or during the employee's vacation, another day off with pay shall be given during the next succeeding non-holiday week.

The following shall govern holiday pay allowance for the above-enumerated recognized holidays not worked:

Any employee who shall have received compensation for an average of over twelve (12) hours during the four (4) calendar weeks immediately preceding any such workweek in which the holidays falls, and who works during the workweek during which the holiday occurs, shall receive as holiday pay that amount that equals the average of hours worked during such preceding four (4) calendar

weeks, divided by five (5).

When a part-time employee, who is otherwise eligible for holiday pay allowance under the conditions as prescribed above, is scheduled to work on a recognized holiday and fails to report to work or to work the hours as scheduled on a holiday, or to work the scheduled day before or the day after the holiday, such employee shall not be eligible to receive any holiday pay allowance.

C. An employee will not receive holiday or birthday pay if he is absent without excuse his last scheduled shift prior to the holiday or birthday or his first (1st) scheduled shift after the holiday or birthday or on his holiday or birthday, if so scheduled. An employee will not lose his holiday or birthday pay if absence is caused by proven illness, or if his absence has been mutually agreed to, provided he has worked any part of the holiday or birthday week. To qualify for holiday or birthday pay, the employee shall have been scheduled to work during the holiday or birthday week. The Union agrees that any employee, in order to be eligible for birthday pay, shall give written notice to the Head Meat Cutter during the second (2nd) week prior to the date of his birthday.

#### ARTICLE IX - LEAVES OF ABSENCE

A. In case of death of a member of the immediate family of any non-probationary regular full-time employee, such employee shall be entitled to an excused absence for such time as the Employer deems reasonably necessary in connection herewith. Any of the first three (3) days' excused absence from his regularly scheduled work shall be paid at the employee's regular basic rate, but such hours and pay shall not be considered as hours worked for overtime purposes. No extra pay allowance shall be paid for multiple or simultaneous deaths occurring within any three (3) day period. No pay allowance shall be granted in any case where, because of distance or other cause, the employee does not attend the funeral of the deceased.

By immediate family is meant to include spouse, son, daughter, mother, father, sister, brother, mother-in-law, father-in-law, grandmother, grandfather and grandchildren.

B. The Employer agrees to grant the necessary time off without discrimination or loss of seniority rights and without pay to not more than two (2) employees out of any one (1) store, and no more than five (5) employees from any Employer, designated by the Union to attend to Union business, provided the Employer is given at least one (1) week's notice, in writing, from the Union, specifying the length of time off, but in no case shall the length of time exceed one (1) year.

An employee who has been promoted or assigned to an exempt management position may be reassigned to the bargaining unit by the Employer and, if reassigned to the bargaining unit within six (6) months, shall retain his/her seniority.

C. Service for the purpose of determining wage increases under the wage progression scales set forth in Appendix A shall be retained for the period prior to the time such leave of absence begins, but shall not accrue during

such leave of absence which is in excess of thirty (30) days. However, on the employee's return to work from such leave of absence, service for the purpose of determining wage increases under the wage progression scale set forth in Appendix A shall begin to accrue.

D. Any employee desiring a leave of absence must secure written permission from the Employer, except as otherwise provided within this Contract. The length of absence shall be agreed upon by the Employer and the employee. Failure to report back to work at the end of such leave shall result in the employee being considered a voluntary quit. Any employee accepting employment elsewhere while on a leave of absence, shall be considered a voluntary quit, except in a case where such employee works for the Union. Under Section G of this Article, service for the purpose of determining wage increases under the wage progression scales set forth in Appendix A shall be retained for the period prior to the time such leave of absence begins, but shall not accrue during such leave of absence which is in excess of thirty (30) days. However, on the employee's return to work from such leave of absence, service for the purpose of determining wage increases under the wage progression scale set forth in Appendix A shall begin to accrue.

E. Any employee in the Military Service under the provisions of the Federal and/or State Law, shall be returned to his job in accordance with those Laws and retain his seniority in accordance with those Laws.

F. When an employee is required to serve on the Jury, he shall receive the difference between his regular straight-time rate and the amount received for jury duty; provided, that the employee notified the Employer within twenty-four (24) hours of receipt of the jury summons. When an employee is excused from jury service permanently on any scheduled workday, the employee shall promptly report to complete any remaining hours of his scheduled workday.

G. Leaves of Absence because of sickness, pregnancy, or injury not to exceed ninety (90) days will be granted to full-time employees who have been employed at least thirty-one (31) days upon written request to the Employer supported by medical evidence. Extensions will be given up to ninety (90) days at a time for a cumulative total of one (1) year or, in case an employee has less than one (1) year service, the leave would be granted to the extent of number of full months' service, if requested, and granted in writing, supported by proper medical evidence prior to each expiration.

In exceptional cases, additional leaves may be considered by the Employer based on the nature of the disability, length of the employee's service and probability of again being able to perform the job. Service for the purpose of determining wage increases under the wage progression scale set forth in Appendix A shall be retained for the period prior to the time such leave of absence begins, but shall not accrue during such leave of absence. However, on the date the employee returns to work from such leave of absence, service for the purpose of determining wage increases under the wage progression scale set forth in Appendix A again begins to accrue.

ARTICLE X - SENIORITY

A. Seniority for full-time employees shall be followed by the Employer, in each seniority area separately, such seniority areas or zones to be mutually agreed upon between the Employer and the Union.

The classifications shall be as follows for the sole purposes of layoff and recall only:

1. Head Meat Cutters
2. Journeyman and Apprentice Meat Cutters
3. Weighers and Wrappers
4. Seafood Clerk
5. Service Clerk

In cases of layoffs and recalls after layoffs, if skill is comparable and the senior employee has the ability to perform the work. This Contract will have a side letter attached describing each seniority area.

B. In the event of a reduction in hours and/or layoff of full-time employees in a market, the least senior employee in the job classification in the market affected by such reduction or layoff may replace the least senior full-time employee in that classification in the seniority area and/or zone.

C. In the event of a recall of employees after layoff or reduction of hours, such employees on layoff or reduced hours status shall be called back to work and/or have their hours restored in the order of their seniority in the job classification in the seniority area and/or zone.

D. Seniority for part-time employees shall be followed by the Employer in each store separately only in cases of layoffs and recalls, for the following classifications::

1. Journeyman and Apprentice Meat Cutters
2. Weighers and Wrappers
3. Seafood Clerk
4. Service Clerk

E. The Employer shall post semi-annually separate seniority lists by job classification for all full-time employees in each seniority area in each store and for all part-time employees who have been employed at least ninety (90) working days.

F. The Employer shall furnish to the Union a duplicate copy of each seniority list for all full-time and all part-time employees.

G. The original posted seniority list shall establish the seniority of each employee who does not, in writing, protest his seniority within thirty (30) days after such employee has had the opportunity to observe such seniority list.

H. Seniority for full-time and part-time employees shall be based upon the length of continuous service with the Employer in the particular job classification in the seniority area, except as otherwise provided herein.



I. Seniority for full-time and part-time employees begins to accrue after an employee completes thirty (30) days of employment in the job classification with the Employer, provided, however, that seniority in the area in which the employee is employed on the thirtieth (30th) day shall date from the date of such employment in the job classification with the Employer, if the employee is retained in the service of the Employer beyond such probationary period.

When a full-time apprentice is promoted to the full-time journeyman classification, his seniority as a full-time journeyman shall date from the beginning of his full-time employment with the Employer.

J. The Employer shall have the right to release any employee for any cause whatever without recourse, provided such employee is released within thirty (30) days from the date of the employee's employment.

K. An employee's seniority shall terminate upon the occurrence of any of the following events:

1. Employee quits.
2. Employee is discharged for just cause.
3. Employee fails to return to work within seventy-two (72) hours after being recalled by the Employer by Registered Mail or telegram to his last known address.
4. Employee has not been on the active payroll of the Employer for a period of six (6) consecutive months. Effective as of December 12, 1983, the six (6) consecutive months period provided for under this paragraph shall be increased to a period of twelve (12) consecutive months.

L. Employer agrees to advise the Union promptly of all layoffs, discharges, recalls, and permanent transfers of full-time employees.

M. Any regular full-time employee who would be laid off for lack of work will first be offered the maximum number of part-time hours available in his classification in the seniority area. If he accepts the offer to work part-time in lieu of layoff, he will be placed at the top of the seniority list.

N. A full-time employee who is reduced to part-time because of a reduction in work hours by the Employer shall retain his or her full-time seniority for two (2) years after being reduced to part-time.

O. A full-time employee who is reduced to part-time with the approval of the Employer at the employee's written request shall lose their full-time seniority; however, they shall have preference over a new employee for a full-time job in their classification in their store only.

P. When a journeyman is promoted to head meat cutter, he shall retain seniority in the journeyman classification.

Q. In case of store closing, the head meat cutter in each store shall retain seniority in the journeyman classification. Service in the head meat cutter classification immediately prior to his most recent appointment as head meat cutter shall be credited to his journeyman classification seniority. In

case the Employer sees fit to place the head meat cutter of a closed store in another store as head meat cutter, the displaced head meat cutter shall retain seniority as a journeyman, including his service in his most recent appointment as head meat cutter.

In case of the closing of a store, which is covered under the terms of this Agreement and which is located in a separate seniority area outside of the Harris County seniority area, an employee that would be subject to layoff (severance from employment) as a direct result of such store closure, may exercise his or her seniority rights, if any, over the least senior employee that is employed in his or her classification of employment in the Harris County seniority area. In the case of the closing of a store that is located within Harris County seniority area, an employee that would be subject to layoff (severance from employment) as a direct result of store closure shall have similar seniority rights in seniority areas outside of the Harris County seniority area.

R. When two (2) or more employees are hired into the same job classification on the same date in the same seniority area, the Employer shall, at such time as it becomes material, advise the Union of their seniority status.

S. Transfers of full-time employees are permitted between markets of the Employer in the seniority area or zone, provided seniority is followed. Transfers shall be based on legitimate business needs. Seniority for all transfers shall be based on seniority in the area and/or zone, except for vacation relief, illness or store openings, unless otherwise agreed to in individual cases by the Employer and the Union. Employees transferred for vacation relief or to act as relief because of illness shall be returned to the store from which the transfer originated. In cases of transfer for vacation relief or because of illness, seniority in the market will be followed.

T. When a full-time employee is transferred into another seniority area at his request, such employee shall be placed at the bottom of the seniority list of the job classification in the seniority area to which such employee has been transferred. When a full-time employee is transferred into another seniority area at the Employers' request, such employee's seniority in the seniority area into which such employee has been transferred shall include his seniority prior to such transfer.

U. A head meat cutter who is demoted to journeyman for any reason whatsoever, shall have his continuous service credits transferred to the journeyman seniority group.

V. Part-time employees shall be given the first (1st) opportunity for permanent full-time jobs in their classification based on seniority in their respective stores before new employees are hired for such full-time jobs.

Where no part-time employee within a store desires full-time work, employees working less than forty (40) hours in the area and who have previously indicated in writing to the Employer their desire for full-time work, shall be given the first opportunity for full-time work based upon seniority in their classification.

W. The Employer will schedule all work for part-time employees based on seniority within their classification within their store not to exceed eight (8) hours in any one (1) day or forty (40) hours in any one (1) week, provided the employee is qualified and available for at least four (4) consecutive hours when the work is available and that this scheduling does not conflict with or prohibit the simultaneous scheduling of another part-time employee. However, this scheduling is not intended to mean that the Employer must schedule so as to incur additional premiums or penalties or violate any provision of this Contract. The part-time employee with seniority must advise the store manager that he is available for posted schedule within twenty-four (24) hours after the store schedule is posted or he has no claim on such schedule of hours.

Part-time employees by classification with the most seniority within a store will be given the part-time schedule with the most hours, provided they are qualified to perform the work required and are immediately available.

X. During the term of this Agreement, the Employer will not reduce the scheduled hours of its regular full-time employees on the payroll as of November 15, 1980 (except in cases in which the reduction has occurred in accordance with the parties' side letter regarding the proper interpretation of Section N of ARTICLE X - SENIORITY, until the following:

1.) All part-time employees by classification who were on the payroll April 15, 1973 and not covered by Health and Welfare and Pension, are laid off in that store.

2.) All part-time employees by classification who are covered by Health and Welfare and Pension (twenty-four hours (24) or more) on the effective date of this Agreement are reduced by seniority to a schedule of twenty-four (24) hours in that store.

3.) All part-time employees by classification as outlined in 2 above are reduced to layoff status in that store.

4.) Notwithstanding the provisions above, the Employer will assign work on seniority basis to a full-time employee in more than one (1) store in an area to maintain his or her forty (40) hour schedule. If said employee refuses said assignment, he or she forfeits their claim to scheduled hours.

Y. Definition of a full-time employee: All employees on the full-time seniority list as of April 15, 1973, and any employee after that date who works forty (40) hours per week for six (6) weeks during an eight (8) week period, unless the employee is working full-time (40 hours) due to the absence of another full-time employee.

When an employee qualifies as outlined above, their full-time seniority date shall be the date of the beginning of the qualification period.

Z. When a full-time employee in the journeyman or weighers and wrappers classifications desire to move to another store in his or her seniority area, the employee will give notification, in writing, to an official designated by the Employer, with a copy to the Union, specifying the store to which he or



she desires to move. When there is a bona fide vacancy in his or her classification in such store, the employee's request for transfer will be considered based on seniority and ability to perform the work.

**ARTICLE XI - WORKING CONDITIONS**

A. Union shop cards may be displayed in markets which employ members of the Union. The Local Union Secretary Treasurer or his authorized agent has the full power to remove said Card upon violation of any part of this Contract. Cards will be displayed in a conspicuous place.

B. The Business Agent of this Union shall be admitted at all reasonable times to the working room or rooms and interview the employees covered by this Contract while on duty.

C. As the employees engaged under this Contract may be members of the United Food and Commercial Workers International Union, nothing in the Contract shall be construed as to interfere with the lawful obligation which they may owe the United Food and commercial Workers International Union as members thereof.

D. The Union agrees to co-operate in correcting inefficiency of employees which might otherwise necessitate discharge.

E. The Employer agrees not to enter into any agreement or understanding with any employee covered by this Contract, individually or collectively, which in any way conflicts with the terms of this Contract.

F. The Employer shall furnish all necessary tools of the trade, laundry and/or uniforms, when required, provided, however, the Employer may furnish to the female employees dacron uniforms or similar type uniforms. The Employees who are furnished such uniforms shall be responsible in the event of loss of these uniforms and such uniforms shall be laundered by the employee.

G. The Employer will provide a bulletin board or other suitable place in a location selected by the Employer. The Union may post notices necessary for conducting Union business on such boards or other suitable space.

H. Contributions to charitable causes shall not be compulsory..

I. The Employer agrees to furnish and maintain a first aid kit in a designated place and to check said kit monthly to replenish any needed supplies.

J. Employer agrees to provide guards on grinders and cube machines. No employee shall use a grinder without the guard on the mill or use the cube machine with the lid or guard up. Any employee using the above equipment without the safety guard shall be subject to discipline, including discharge, without recourse to arbitration.

K. No employee will be required to report for work until said employee has had a minimum of ten (10) hours off duty.

L. Employees shall not be required to take a polygraph test.



**ARTICLE XII - GRIEVANCE AND ARBITRATION**

A. The Employer recognizes the right of the Union to designate one (1) Shop Steward in each market. Such Steward shall be designated, in writing, to the Employer by the Union.

B. Should any differences, disputes or complaints arise over the interpretation or application of the contents of this Contract, there shall be an earnest effort on the part of both parties to settle such promptly through the following steps:

Step 1. By conference between the aggrieved employee, the shop steward or business agent and the manager of the store.

Step 2. By a conference between the shop steward or the business agent of the Union and the zone manager, district manager or district supervisor of the Employer, if such exists, within five (5) working days after the completion of Step 1.

Step 3. By conference between an official of the Union and a designated official of the Employer, within five (5) working days after the completion of Step 2.

Step 4. In the event the grievance is not settled through the above mentioned steps, it shall be referred to arbitration.

C. Grievances must be reduced to writing by the aggrieved employee after the completion of Step 2 in order to be considered under Step 3 and in order to be subject to arbitration.

D. Grievances presented later than seven (7) calendar days after the occurrence of the event complained of will not be considered.

E. The parties agree that issues may arise of a general nature affecting or tending to affect more than one (1) employee covered by this Contract and that such issues need not be subjected to the entire grievance procedure, but may be initiated at any of the above mentioned Steps deemed appropriate by the Union or the Employer bringing the grievance.

F. It is understood that the Union Grievance Committee shall make the final decision as to arriving at a settlement of any grievance instituted by an employee covered by this Contract. No grievance shall be submitted to arbitration by the Union without the approval of the Union Grievance Committee.

G. It is understood and agreed that all employees covered by this Contract must exercise all their rights, privileges, and necessary procedures under this Contract in the settlement of any complaint or grievance.

H. One (1) person shall be appointed by the Employer and one (1) person shall be appointed by the Union. If said two (2) persons are unable to settle the complaint, either the Employer or the Union may, within two (2) days from

the disagreement, request the Director of the Federal Mediation and Conciliation Service to furnish a panel of seven (7) arbitrators from which the arbitrator shall be chosen. The decision of the arbitrator shall be binding on all parties. The Union shall strike a name from the panel, then the Employer shall strike a name, in this order, until one (1) person's name remains, who shall be designated as the arbitrator. The expenses of the arbitrator shall be paid for equally by the Employer and the Union.

I. The Employer may, at any time, discharge any worker for just cause. The Union, if it wishes to contest the discharge, may file a written complaint with the Employer within five (5) working days. Such complaint must be taken up promptly, and if the Employer and the Union fail to agree within forty-eight (48) hours, it shall be referred, within twenty-four hours (24), to arbitration.

J. No arbitrator shall have the authority to alter, amend, or change any term or provisions of this Contract.

#### ARTICLE XIII - SEPARATION PAY

A full-time employee with more than six (6) months' full-time service, who is permanently separated due to discontinuance of the job, store closing, or reduction in the working forces, shall be given one (1) week's notice or one (1) week's pay in lieu of notice. An employee separated during a week for any of these reasons is entitled to pay through the day he was told of his dismissal, plus pay for one additional week which, at the option of the Employer, may either be worked or paid in lieu of notice.

#### ARTICLE XIV - HEALTH AND WELFARE

A. The Employer shall contribute to the established Health and Welfare Trust Fund the sum of one hundred seventy-five dollars (\$175.00) per month for each employee who has completed an average of twenty-four (24) hours per week for a period of four (4) consecutive calendar week (96 hours) and shall continue to contribute one hundred seventy-five dollars (\$175.00) per month on each employee who maintains an average of twenty-four (24) hours per week for a period of four (4) consecutive calendar weeks (96 hours). Employees who are off work and receiving Employer sickness and/or accident benefits shall have such time considered as time worked for eligibility purposes in computing the 96 hours worked immediately preceding the first (1st) day of the calendar month.

The Employer shall not be required to make any contributions on behalf of an employee during the first (1st) six (6) calendar months of the employee's employment with the Employer. Employees who were eligible for benefits at time of hire shall be paid on the first (1st) of the following month.

The Health and Welfare contributions that are due and payable under this Article shall be remitted to the Trust Fund no later than the twentieth (20th) day of the month immediately following the month in which the qualifying hours were worked.

B. The four (4) consecutive calendar weeks referred to in Section A above

shall mean the four (4) consecutive calendar weeks immediately preceding the first (1st) day of the calendar month, which shall be the period used for determination of the continuation of contributions on each employee.

C. Effective January 1, 1987, the Employer agrees to increase the monthly contribution provided for under Section A above, up to a maximum of two hundred five dollars (\$205.00) per eligible employee.

Effective January 1, 1988, the Employer agrees to increase the monthly contribution provided for under Section A above, up to a maximum of two hundred and twenty-five (\$225.00) per eligible employee.

It is agreed that the contribution increases that are provided for above will not be utilized for improvement of Benefits and/or new Benefits or for the creation of reserves beyond the minimum funding requirements established by the Health and Welfare Trust Fund's Board of Trustees.

D. Contributions to the Trust Fund shall be discontinued as of the first (1st) of the month immediately following:

1. A layoff or leave of absence of thirty (30) calendar days or more, except as otherwise provided below;

2. The employee's ceasing to be an eligible employee due to his failure to work an average of twenty-four (24) hours or more per week for four (4) consecutive calendar weeks (96) hours).

E. Contributions to the Trust Fund shall be continued under the following conditions:

1. In case of non-work accident, one (1) month's contribution following the month in which the employee incurred the accident.

2. In case of pregnancy, two (2) month's contribution after the month in which the employee begins her pregnancy leave of absence.

3. In case of illness, two (2) months' contribution after the month in which the illness occurs.

4. In case of compensable injury, three (3) months' contribution following the month in which the injury occurs.

5. The Employer agrees to pay the contributions to the Trust Fund for eligible employees for one (1) month following termination of employment, except for those employees who are discharged for cause.

F. If any Employer fails to make any contribution as required, it is agreed that the delinquent Employer may be required by the Trustees to pay an additional ten percent (10%) penalty.

It is further agreed that if it becomes necessary to sue any Employer to collect any contributions due hereunder, said delinquent Employer shall also be responsible for paying all of the necessary court costs and reasonable attorneys' fees incurred in connection with the collection of such

contributions, as well as said ten percent (10%) penalty.

**ARTICLE XV - PENSIONS**

A. The Employer agrees to continue participation in and to contribute to the United Food and Commercial Workers International Union Pension Trust Fund, which Fund has and shall maintain Treasury Department approval. The Employer will not be obligated to make any contributions to the fund which are not deductible for income tax purposes.

B. The Employer agrees to continue to contribute to the jointly administered National Pension Trust Fund the sum of one hundred forty-two dollars and eighty cents (\$142.80) per calendar month for each eligible employee covered by this Contract.

Effective November 1, 1986, the monthly Pension contribution rate shall be reduced from one hundred forty-two dollars and eighty cents (\$142.80) to one hundred twenty-one dollars and ten cents (\$121.10) per calendar month per eligible employee.

Effective June 1, 1987, the monthly Pension contribution rate shall be reduced from one hundred twenty-one dollars and ten cents (\$121.10) to one hundred nineteen dollars (\$119.00) per calendar month per eligible employee.

C. The term "eligible employee" shall mean an employee who has worked an average of twenty-four (24) hours per week for a period of four (4) consecutive calendar weeks (96 hours). Such an employee becomes eligible for participation in the Pension program on the first (1st) day of the first (1st) calendar month immediately following the completion of four (4) consecutive calendar weeks (96 hours) and such date shall hereinafter be referred to as his eligibility date. The contributions that are due and payable under this Article shall be remitted to the Pension Trust Fund no later than the twentieth (20th) day of the month immediately following the month in which the qualifying hours were worked.

The Employer shall not be required to make any contributions on behalf of an employee during the first (1st) year of the employee's employment with the Employer in the case of employees who are hired after November 23, 1986.

D. Contributions to the Pension Fund shall be discontinued as of the first (1st) of the month immediately following:

1. A layoff or leave of absence of thirty (30) calendar days or more, except as otherwise provided below.

2. The employee's ceasing to be an eligible employee due to his failure to work an average of twenty-four (24) hours or more per week for four (4) consecutive calendar weeks (96 hours).

E. Contributions to the Pension Fund, discontinued as set forth in Section D above, shall be resumed as of the first (1st) of the month following return from layoff or leave of absence.

F. Contributions to the Pension Fund shall be continued under the



following conditions:

1. In case of a non-work accident, one (1) month's contribution following the month in which the employee incurred the accident.

2. In case of pregnancy, two (2) months' contributions after the month in which the employee begins her pregnancy leave of absence.

3. In case of illness, two (2) months' contributions following the month in which the illness occurs.

4. In case of compensable injury, three (3) months' contributions following the month in which the injury occurs.

5. The Employer agrees to pay the contribution to the Pension Fund for eligible employees for one (1) month following termination of employment.

G. When the Employer commences payments into this Pension Fund, the employees covered by this Contract shall automatically cease to participate in the Employer's Retirement Plan then in effect.

The Union, as the bargaining agent for each of the affected employees of the Employer, agrees, on behalf of the said employees who are not participants in said existing Employer's Retirement Plan, unilaterally established by the employer, that each of said employees, in consideration of the agreement by the Employer to contribute to a Trustee administered plan enabling each of its members to participate therein, shall then withdraw from and surrender, release and relinquish whatever rights, privileges and benefits he has, if any, in the Employer's Retirement Plan, effective with the date the Employer commences payment into the Fund.

#### ARTICLE XVI - MANAGEMENT RIGHTS

A. The management of the store (s), and direction of the working forces, including the right to plan, direct, expand, reduce, and control operations, hire, assign, suspend or discharge for proper cause, to relieve employees from duty because of lack of work or for other proper reasons, the right to introduce any new or improved methods or facilities and to make such rules and regulations as may be necessary or desirable for the operation of a store shall be vested exclusively in the Employer.

B. It is expressly understood and agreed that all rights which the Employer had prior to the execution of this Agreement, except where expressly limited by the terms of this Contract, are reserved to and shall continue to be vested in the Employer. In the event any rules or regulations are promulgated, the Employer agrees that it will furnish copies of such rules and regulations to the Union, and either post them on the bulletin boards or supply each employee with a copy.

#### ARTICLE XVII - SAVINGS CLAUSE

Should any part hereof or any provision herein contained be rendered or declared invalid by reason of any existing or subsequently enacted legislation or by a decree of a Court of competent jurisdiction, such

invalidation of such part or portion of this Agreement shall not invalidate the remaining portions hereof and they shall remain in full force and effect.

**ARTICLE XVIII - DURATION**

A. This Contract shall become effective as of November 23, 1986, and shall continue in full force and effect through February 17, 1990, and shall be automatically renewed and extended from year to year thereafter, unless either party serves notice, in writing, on the other party at least sixty (60) days prior to the expiration date, or anniversary date thereafter, of a desire to terminate or change this Contract.

B. This Contract, when executed, shall be deemed to define the wages, hours and rates of pay and other conditions of employment of the employees covered by this Contract for the term of the Contract, and no new or additional issues not included herein or covered hereby are required to be the subject of negotiation during the term hereof.

C. All of the agreed upon changes and revisions in the Agreement will be effective as December 12, 1986, unless otherwise specifically provided for in the Safeway Stores, Inc. final offer of settlement or the Agreement itself.

IN WITNESS WHEREOF the parties hereto, hereby acting by their duly authorized representatives, have executed this Contract on the 25th date of March, 1987.

SAFEWAY STORES, INC.

UFCW LOCAL UNION NO. 408

BY: [Signature]  
BY: [Signature]

BY: [Signature]  
BY: [Signature]

SCHEDULE "A"

METRO AREA STORES

(INCLUDING BRYAN, COLLEGE STATION AND HUNTSVILLE)

WAGES

1. The following straight-time hourly rates of pay shall be in effect for the employees that are employed in the covered classifications of employment as of the below indicated date:

Effective Date  
December 7, 1986

Head Meat Cutter 13.395

Journeyman Meat Cutter 12.395

Apprentices:

|                                |       |
|--------------------------------|-------|
| 1st 6 months (0-1040 hours)    | 5.50  |
| 2nd 6 months (1041-2080 hours) | 6.00  |
| 3rd 6 months (2081-3120 hours) | 7.00  |
| 4th 6 months (3121-4160 hours) | 8.00  |
| 5th 6 months (4161-5200 hours) | 9.00  |
| 6th 6 months (5201-6240 hours) | 10.00 |

THEREAFTER (over 6240 hours) Journeyman Rate

Weighers & Wrappers:

|                                |        |
|--------------------------------|--------|
| 1st 6 months (0-1040 hours)    | 4.75   |
| 2nd 6 months (1041-2080 hours) | 5.00   |
| 3rd 6 months (2081-3120 hours) | 5.50   |
| 4th 6 months (3121-4160 hours) | 6.00   |
| 5th 6 months (4161-5200 hours) | 7.00   |
| 6th 6 months (5201-6240 hours) | 8.00   |
| THEREAFTER (over 6240 hours)   | 10.265 |

Seafood Clerk/Service Clerk:

|                                |      |
|--------------------------------|------|
| 1st 6 months (0-1040 hours)    | 4.75 |
| 2nd 6 months (1041-2080 hours) | 5.00 |
| 3rd 6 months (2081-3120 hours) | 5.25 |
| 4th 6 months (3121-4160 hours) | 5.50 |
| 5th 6 months (4161-5200 hours) | 6.00 |
| 6th 6 months (5201-6240 hours) | 6.50 |
| 7th 6 months (6241-7280 hours) | 7.00 |
| 8th 6 months (7281-8320 hours) | 7.50 |
| THEREAFTER (over 8320 hours)   | 8.00 |

SCHEDULE "A"

BAY CITY, PORT ARTHUR, BEADMONI, WHARTON, ORANGE, NEDERLAND,  
BRENEHAM, PORT LAVACA

WAGES

1. The following straight-time hourly rates of pay shall be in effect for the employees that are employed in the covered classifications of employment as of the below indicated date:

|                                | Effective<br>12-7-86 | Effective<br>5-24-87 |
|--------------------------------|----------------------|----------------------|
| Head Meat Cutter               | 13.395               | WAGE                 |
| Journeyman Meat Cutter         | 12.395               | OPENER               |
| Apprentices:                   |                      |                      |
| 1st 6 months (0-1040 hours)    | 5.50                 |                      |
| 2nd 6 months (1041-2080 hours) | 6.00                 |                      |
| 3rd 6 months (2081-3120 hours) | 7.00                 |                      |
| 4th 6 months (3121-4160 hours) | 8.00                 |                      |
| 5th 6 months (4161-5200 hours) | 9.00                 |                      |
| 6th 6 months (5201-6240 hours) | 10.00                |                      |
| THEREAFTER (over 6240 hours)   | Journeyman Rate      |                      |
| Weighers and Wrappers:         |                      |                      |
| 1st 6 months (0-1040 hours)    | 4.75                 |                      |
| 2nd 6 months (1041-2080 hours) | 5.00                 |                      |
| 3rd 6 months (2081-3120 hours) | 5.50                 |                      |
| 4th 6 months (3121-4160 hours) | 6.00                 |                      |
| 5th 6 months (4161-5200 hours) | 7.00                 |                      |
| 6th 6 months (5201-6240 hours) | 8.00                 |                      |
| THEREAFTER (over 6240 hours)   | 10.265               |                      |
| Seafood Clerk/Service Clerk:   |                      |                      |
| 1st 6 months (0-1040 hours)    | 4.75                 |                      |
| 2nd 6 months (1041-2080 hours) | 5.00                 |                      |
| 3rd 6 months (2081-3120 hours) | 5.25                 |                      |
| 4th 6 months (3121-4160 hours) | 5.50                 |                      |
| 5th 6 months (4161-5200 hours) | 6.00                 |                      |
| 6th 6 months (5201-6240 hours) | 6.50                 |                      |
| 7th 6 months (6241-7280 hours) | 7.00                 |                      |
| 8th 6 months (7281-8320 hours) | 7.50                 |                      |
| THEREAFTER (over 8320 hours)   | 8.00                 |                      |



SCHEDULE "A"

LIVINGSTON, CLEVELAND, CENTER, SAN MARCOS

WAGES

1. The following straight-time hourly rates of pay shall be in effect for the employees that are employed in the covered classifications of employment as of the below indicated date:

Effective Date  
December 7, 1986

Head Meat Cutter 12.50

Journeyman Meat Cutter 11.25

Apprentice:

|                                |       |
|--------------------------------|-------|
| 1st 6 months (0-1040 hours)    | 5.50  |
| 2nd 6 months (1041-2080 hours) | 6.00  |
| 3rd 6 months (2081-3120 hours) | 7.00  |
| 4th 6 months (3121-4160 hours) | 8.00  |
| 5th 6 months (4161-5200 hours) | 9.00  |
| 6th 6 months (5201-6240 hours) | 10.00 |

THEREAFTER (over 6240 hours) Journeyman Rate

Weighers and Wrappers:

|                                |      |
|--------------------------------|------|
| 1st 6 months (0-1040 hours)    | 4.75 |
| 2nd 6 months (1041-2080 hours) | 5.00 |
| 3rd 6 months (2081-3120 hours) | 5.50 |
| 4th 6 months (3121-4160 hours) | 6.00 |
| 5th 6 months (4161-5200 hours) | 7.00 |
| 6th 6 months (5201-6240 hours) | 8.00 |
| THEREAFTER (over 6240 hours)   | 9.00 |

Seafood Clerk/Service Clerk:

|                                |      |
|--------------------------------|------|
| 1st 6 months (0-1040 hours)    | 4.75 |
| 2nd 6 months (1041-2080 hours) | 5.00 |
| 3rd 6 months (2081-3120 hours) | 5.25 |
| 4th 6 months (3121-4160 hours) | 5.50 |
| 5th 6 months (4161-5200 hours) | 5.75 |
| 6th 6 months (5201-6240 hours) | 6.00 |
| 7th 6 months (6241-7280 hours) | 6.25 |
| 8th 6 months (7281-8320 hours) | 6.50 |
| THEREAFTER (over 8320 hours)   | 6.75 |

APPENDIX "B"

Article I - Recognition and Jurisdiction is further defined as follows:

Houston Metropolitan Area (Harris, Fort Bend, Montgomery, Walker, Waller, Brazoria, Liberty, Galveston Counties) and Wharton, Matagorda, Calhoun, Washington, Brazos, Shelby, Polk, Hays, Orange and Jefferson Counties.

Mr. Dale Hoagland  
President  
U.F.C.W. Local Union No. 408  
4201 Caroline  
Houston, Texas 77004

RE: SIDE LETTERS OF UNDERSTANDING U.F.C.W. LOCAL UNION NO. 408  
RETAIL MEAT AGREEMENT

Dear Mr. Hoagland:

This letter will renew the summary of the several understandings reached during the 1986 negotiations plus previous understandings reached in 1983. These understandings shall become part of the contract.

SERVICE CLERK

1. Service Clerks will have separate seniority.
2. Service Clerks will perform all duties in the meat department except the saw.
3. Service Clerks will use the knife, slicer, cuber, grinder in conjunction with serving customers only. Service Clerks will not be used for production work. The Service Clerk classification will not be used to eliminate wrappers.
4. Service Clerks will not take the hours of HMC, JMC and full-time wrappers to take those employees below the basic work weeks (40 hours). Should it become necessary to reduce the hours of such employees, Service Clerks must first be laid off in the bargaining area. The reduced employees shall displace the lease senior employee in the seniority area.

SIDE LETTER OF UNDERSTANDING - BEADONT, PORT ARTHUR, ORANGE, NEDERLAND

In the event of a store closing in the Golden Triangle (above mentioned stores) during the term of the contract, employees with one or more years of service shall be allowed to exercise their seniority within the classification in the Golden Triangle only.

SIDE LETTER OF UNDERSTANDING - CLEVELAND, TEXAS

Meat Department employees in the Cleveland, Texas store may exercise their seniority and bump into the Houston Meatro area rather than accept the new wage rates for the Cleveland store. If they decline to bump into the Metro area where their seniority would allow, they must accept the new lower rates of pay, per the agreement.

SIDE LETTER OF UNDERSTANDING - BONUS PLAN

Effective March 1, 1987, the Company will introduce a bonus plan for all

employees covered by the Local 408 agreement.

This program is not subject to negotiations and may be cancelled by the Employer at any time.

SIDE LETTER OF UNDERSTANDING - STORE CLOSINGS

The following provision shall not apply unless a satisfactory settlement is also reached with U.F.C.W. Local 455, U.F.C.W. Local 540, and I.B.T. Local 968. The Company agrees to the following understanding with U.F.C.W. Local 408 in the event of store closings:

1. Employees hired after the date of ratification shall not be entitled to any of the following severance provisions.

2. Effective March 1, 1987, the following provisions shall apply:

The Houston Division shall maintain the right to close up to 20% of its stores in the Division, per year, without any penalty or requirement for severance pay.

If the Houston Division closes more than 20% but less than 50% of its stores per year, those employees who are terminated or completely laid off with no hours of work shall receive 50% of the wage concessions that were granted as a result of the terms of the new agreement.

If the Division closes more than 50% but less than 75% of its stores per year, those employees who are terminated or completely laid off with no hours of work shall receive 75% of the wage concessions that were granted as a result of the terms of the new agreement.

If the Division closes between 75% and 100% of its stores, during the term of the agreement, those employees who are terminated shall receive 100% of wage concessions that were granted under the terms of the new agreement.

The maximum payoff that the Company shall incur under this provision is one (1) year.

CLARIFICATION OF SECTION N. OF ARTICLE X - SENIORITY

N. It is agreed between the Parties that when a full-time employees's hours are reduced to less than forty (40) but not less than thirty-two (32) hours per week, the employee will have the option of exercising his/her seniority to the least senior full-time position by classification in the zone (district) or the employee may remain at the Store for an indefinite time working the reduced schedule.

If the employee elects to remain at the Store working at least

thirty-two (32) but less than forty (40) hours per week and at a later time decides to exercise his/her seniority, the employee must notify his/her Store Manager, in writing, by Wednesday noon for the following week's schedule.

A full-time employee whose hours are reduced to less than thirty-two (32) hours per week must exercise his/her seniority to "bump" the least senior full-time employee in his/her classification in his/her zone (district) or forfeit his/her full-time seniority and take the part-time job in the Store. Such refusal shall be in writing.

It is understood that a full-time employee's option to remain at his/her Store, working less than forty (40) hours but not less than thirty-two (32) hours per week, will waive that employee's right to file a time claim.

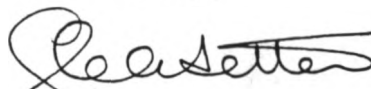
ARTICLE VII - VACATIONS

A full-time employee who is reduced to part-time because of a reduction in work hours by the Employer shall retain multiple weeks of vacation earned, if any, on a pro rata basis determined by dividing the total hours worked in the vacation qualifying year by fifty-two (52).

Effective November 16, 1980, part-time employees who become full-time after that date, shall have all service from date of hire considered when calculating vacation eligibility.

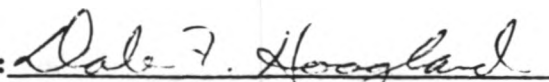
ARTICLE XVIII - D. Either party may serve notice, in writing, on the other party at least sixty (60) days prior to May 24, 1987, for the sole purpose of re-negotiations of wage rates only for the wage rates in effect Schedule "A" Bay City, Port Arthur, Beaumont, Wharton, Orange, Nederland, Brenham, and Port Lavaca only. The Union shall have the right to strike on this re-opener on or after May 25, 1987.

Yours truly,



Lyle A. Setter  
Branch Manager  
Safeway Stores, Inc.

For Local Union No. 408

By:   
Dale F. Hoagland, President